




## STATE OF INDIANA



Eric J. Holcomb, Governor  
Devon McDonald, Executive Director

**TO:** All ICJI Staff and Subgrantees

**FROM:** Devon McDonald, Executive Director 

**RE:** Differing Mileage and Per Diem Reimbursement Rates  
Grant Management Directive 4

**EFFECTIVE DATE:** August 8, 2019 – Revised March 4, 2020

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**Issue:** A number of ICJI grants allow for the reimbursement of mileage and per diem concerning travel necessary to carry out the program purpose. ICJI subgrantees can only be reimbursed as set forth in the current applicable State of Indiana travel policy. If a subgrantee reimburses its employees' mileage and per diem at a rate higher than the State of Indiana rate, can the difference between the State of Indiana rate and the rate paid by the subgrantee be reimbursed or used as match?

**Answer:** 2 C.F.R. 200.474 states costs incurred by employees for travel must not exceed costs normally allowed under a state's written travel policy. Therefore, the difference between the State of Indiana rate and the higher rate paid by the subgrantee cannot be reimbursed. Because the difference between the rates is not an allowable cost, it also cannot be used as match.

**Example:** The State of Indiana mileage reimbursement rate is currently \$.39 per mile. Subgrantee A reimburses its employees' mileage at the federal rate of \$.55 per mile. Emily Employee drives 2,000 miles in the quarter to carry out the program purpose. Subgrantee A expended \$1,100 for Emily Employee's travel (2,000 miles x \$.55 = \$1,100) in the quarter. Assuming it is authorized in the grant budget, Subgrantee A can seek reimbursement of grant funds of \$780 or claim match of \$780 (2,000 miles x \$.39 = \$780). However, Subgrantee A cannot seek reimbursement or claim as match the difference between the State of Indiana rate and its rate (\$1,100 - \$780 = \$320).